

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - SPECIAL SESSION COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIR DAVE LEWIS**, on August 10, 2002 at 9:35 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Dave Lewis, Chair (R)
Rep. Edith Clark, Vice Chair (R)
Rep. Matt McCann, Vice Chair (D)
Rep. John Brueggeman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Rep. Tim Callahan (D)
Rep. Bob Davies (R)
Rep. Stanley (Stan) Fisher (R)
Rep. Dick Haines (R)
Rep. Donald L. Hedges (R)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. Jeff Pattison (R)
Rep. John Sinrud (R)
Rep. Joe Tropila (D)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Taryn Purdy, Legislative Branch
Mary Lou Schmitz, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 19 - 8/10/02

Executive Action: SB 19 - BE CONCURRED IN - 17-1

Chairman Lewis called the meeting to order.

HEARING ON SB 19

Sponsor: **Senator Steve Doherty, SD 24, Great Falls** said this Bill deals with the excess amount of money in the old Worker's Comp fund and the Bill was Tabled in Senate Finance and Claims and was just brought off the Table. The amendments that the Senate put on take \$4 million of the \$8.4 million that was called for in the original Bill, from the old Worker's Comp system fund and \$2.1 million goes into the Flex Fund. Approximately \$1.9 million appropriation to the general fund is broken down in the following fashion: \$1.27 million goes to the University system,; \$550,000 to the DPHHS; and \$80,000 to State Library for books for a total of \$4 million.

Chairman Lewis asked for a point of clarification. The \$2.1 million is specifically identified for the Flex Fund, \$1.9 million goes to the general fund to be transferred to the State Library, the University system and the Department of Public Health and Human Services. But there is no split in this Bill. The \$1.9 million will be split among those three areas. He assumes that is to be worked out in HB 2. **Senator Doherty** said that is right.

Proponents: None

Informational Witness: **Mark Barry, Montana State Fund** said there is a study committee in this Bill and their purpose is, over the next few months in preparation for the regular session, to have a group of people look at their structuring proposal and determine how best to structure the Montana State fund.

Questions from Committee Members and Responses: **Representative Sinrud** referred to lines 7 and 8, page 3, "may not exceed \$63.8 million". Where did that number come from? **Mr. Barry** said in 1997 SB 67, there was \$63.8 million that was transferred from the Montana State Fund to the old fund. If excess funds develop, they can only receive back \$63.8 million, no more.

Representative Sinrud asked what the study is on page 1, line 19? **Senator Doherty** said this was language that was developed by the State Fund and Senate. The study of the State Fund apparently wants to get some legislative input from the Auditor and the Governor whether it is a good idea, what form should it take, what provisions need to be in and will have to do all this in the remaining four months of the year and present their recommendations to the 58th Legislature. The recommendations will be acted on by the Legislature. It is to look at the

restructuring the Bill and the restructuring ideas that were discussed prior to the session for the State Fund.

Representative Sinrud to Representative Buzzas.

Representative Lewis said to clarify, the \$1.9 million will be allocated by the HB 2 conference committee and so it may or may not impact.

Representative Fisher to Representative Lewis and Senator Doherty for further clarification.

Representatives Tropila, Lindeen, McCann to Senator Doherty for explanation.

Closing by Sponsor: Senator Doherty closed the Hearing on SB 19.

EXECUTIVE ACTION ON SB 19

Motion/Vote: REP. CLARK moved that SB 19 BE CONCURRED IN.
Motion carried 17-1 with **Representative Kasten** voting no.
Representative Christopher Harris will carry.

ADJOURNMENT

Adjournment: 9:55 P.M.

REP. DAVE LEWIS, Chair

MARY LOU SCHMITZ, Secretary

DL/MS

EXHIBIT(aph06bad)